

IN THE HIGH COURT OF JUDICATUE AT MADRAS

Reserved on : 23.04.2018

Delivered on : 13.06.2018

CORAM

THE HON'BLE MR.JUSTICE R.SUBBIAH
and
THE HON'BLE MR.JUSTICE P.D.AUDIKESAVALU

W.P.No.12531 of 2013

and

M.P.No.1 of 2013

M/s.N.Ranga Rao & Sons,
Post Box No.52,
1553, Vani Vilas Road,
Mysore-570 004.Petitioner

Vs.

- 1.M/s.Shree Balaji Associates,
436, 12th Main Road,
Next to South India Wire Products,
4th Phase, Peenya Industrial Area,
Peenya, Bangalore-560 005.
- 2.The Intellectual Property Appellate Board,
Annex I, 2nd Floor,
Guna Complex,
443, Anna Salai,
Teynampet, Chennai-600 018.
- 3.The Deputy Registrar of Trademarks,
O/o.The Trademarks Registry,
Intellectual Property Office Building,
G.S.T. Road, Guindy, Chennai-600 032. ... Respondents

Writ Petition has been filed under Article 226 of the Constitution of India, praying for issuance of a writ of Certiorarified Mandamus calling for the records pertaining to the order of the 2nd respondent dated 4th January 2013 passed in OA/19/2009/TM/CH and to quash the same and to direct the 3rd respondent not to proceed with the registration and/or cancel and/or reject the impugned application vide Application No.1360436 in Class 21 for the trademarks 'CYCLE BRAND' with the device of Cycle.

For Petitioner :Mr.Rajesh Ramanathan for M/s.Tmt.Law
Practice

For Respondents: Mr.T.K.Ramkumar for
M/s.Ram and Rajan & Associates for R1

<https://hcservices.ecourts.gov.in/hcservices/>

M/s.T.V.Krishnamachari, SPCCG for R2 & R3

JUDGMENT

(R.SUBBIAH, J.,)

This writ petition has been filed by the petitioner praying to quash the order dated 04.01.2013 passed by the 2nd respondent viz., Intellectual Property Appellate Board allowing the appeal filed by the 1st respondent herein in OA/19/2009/TM/CH, and thereby quashing the order passed by the 3rd respondent viz., the Deputy Registrar of Trademarks in MAS 25781 dated 26.06.2009.

2.The brief facts of the case of the petitioner, which are necessary for deciding the issue involved in this writ petition, are as follows:-

2-1.The petitioner-company is engaged in the business of manufacturing and marketing incense (agarbathi) sticks and dhoop sticks for more than half a century. The petitioner company is the pioneer in the said business and have reached the pinnacle in their industry built brick by brick by their forefathers. The petitioner's products are available all over India and abroad and as such, the petitioners have attained international reputation.

2-2.During the course of their said business, the petitioner- company has honestly conceived and adopted the trademark 'CYCLE BRAND' with the device of 'Cycle' as early as in the year 1954 and have been continuously using the said trademark without any interruption from any quarters. The petitioner-company is the world's leading manufacturers of agarbathies and dhoop sticks and they have been using the same, not only in the domestic market, but also across several countries worldwide. The trademark 'CYCLE BRAND' with the device of 'Cycle' has remained the hallmark of its business and is also the petitioner's house mark which is being used in every product and carton and thus, the said trademark has reached the pinnacle of reputation amongst the consumers. The trademark 'CYCLE BRAND' and the device of 'Cycle' has become so well known amidst the consumers which include literate, illiterate men, women, children and the said mark could well be claimed as one of the most recognizable trademark in India.

2-3.Further, the petitioner company has more than 100 trademarks in commerce and in almost all of the products, the above trademark 'CYCLE BRAND' with the device of the Cycle would appear on their labels and the said trademark is recognized worldwide. In order to safeguard their rights, the petitioner company has applied for and obtained registrations of the above trademark not only in Class 3 (for agarbathi and dhoop sticks), but, also in all other Classes. The petitioner-company has also applied for and obtained registration of their labels including the trademark 'CYCLE BRAND' with device of Cycle under the Copyright Act. Their device of Cycle has also been used and registered in various trademark cartons and a few of them are as follow

S.No	Trademark	class	Registration No.
1	Cycle Brand S.T.Agarbathi Box	03	274106
2	cycle brand S.t.Agarbathi Word	03	293414
3	Device of Cycle	03	191076
4.	Cycle Branch Three in One	03	426521
5	Cycle Mallika	03	415067
6.	Cycle Kesari	03	394312

They have also applied for and obtained registration of their trademark "Device of Cycle" in all the 34 classes that was available under the Trade and Merchandise Marks Act 1958 i.e., from 1 to 34 and all are still valid and subsisting. They have also applied and obtained registration of their labels including the trademark CYCLE BRAND with device of Cycle under the Copyright Act. The trademark 'CYCLE BRAND' with the device of Cycle has been used continuously and extensively ever since its inception in the year 1954 and has acquired a tremendous reputation and goodwill amongst the consumers in India and abroad. Due to such a long, continuous and extensive use of the trademark by the petitioner, substantial reputation and a valuable goodwill has accrued to the petitioner and the trademark has become one of the most sought after brand in terms of reputation in India with respect to agarbathis, dhoop sticks etc. The said trademark/house mark has become extremely popular in the markets in India and abroad and the consumers identify the trademark CYCLE BRAND with the device of Cycle only with the petitioner and no one else.

2-4. Due to the long, extensive and continuous use, the sales turnover of the petitioner has crossed several billions of rupees per annum and by virtue of high quality standards maintained and the strong promotional efforts undertaken by the petitioners, the trademark 'CYCLE BRAND' with the device of the Cycle has come to be associated with the petitioner and has become the hallmark for a famous trademark. Due to such long, continuous and extensive use and exceptional brand promotional activities, the said trademark 'CYCLE BRAND' with the device of Cycle has become a well established and celebrated trademark and falls well within the definition of a 'well-known trademark' as provided under Section 2(1)(zg) and are entitled to be protected as provided under Section 11(6), 11(7), 11(8), 11(9) and 11(10) of the Trademarks Act. Particularly, Section 11(10)(i) of the Trade Mark Act provides that the Registrar shall protect a well known trademark against an identical or similar trademark and take into consideration the bad faith involved in applying for an identical or similar trademark which affects the petitioner's rights.

2-5. While the situation stood thus, the petitioner came to know about the application for registration of identical trademark being filed by the 1st respondent through the journal

advertisement vide Application No.1360436 in Class 21 in respect of brooms. On coming to know about the same, the petitioner-company through their counsel duly opposed the said application. The 3rd respondent viz., the Deputy Registrar of Trademarks allowed the opposition raised by the petitioner and rejected the application filed by the 1st respondent under Section 9, 11 and 18 of the Trade Marks Act. The 3rd respondent has clearly held that the impugned trademark being a proposed mark on the date of the application ie., 30.05.2005 has not attained any distinctiveness and thus, favoured the opposition raised by the petitioner under Section 9. Further, as regards Section 11, the 3rd respondent has categorically held that the rival marks are deceptively similar to the opponent's mark. By holding as stated above, the 3rd respondent has ordered that the opposition No.MAS-257181 (filed by the petitioner herein) is allowed and the application No.1360436 in Class-21 (filed by the 1st respondent) is refused registration. Aggrieved over the same, the 1st respondent preferred an appeal before the 2nd respondent viz., the Intellectual Property Appellate Board (in short IPAB) vide appeal No.OA/19/2009/TM/CH. After considering the pleadings and the arguments made on either side, the 2nd respondent-IPAB vide order dated 04.01.2013 has allowed the appeal filed by the 1st respondent, and thereby rejected the opposition of the petitioner herein, against which the present writ petition has been filed.

3.Assailing the order passed by the 2nd respondent-IPAB, the learned counsel for the petitioner submitted that the petitioner is engaged in the business of manufacturing and marketing incense (agarbathi) sticks and dhoop sticks for more than half a decade. During their business, they have conceived and adopted the trademark 'CYCLE BRAND' with the device of the cycle as early as in the year 1954. The petitioner applied for and obtained registrations of the trademark 'CYCLE BRAND' along with the device of the Cycle, not only in Class 3, but, also in all other relevant classes, including Class 21 for glassware, domestic utensils, container trays & parts thereof. In such circumstances, on 30.05.2005 the 1st respondent filed the application No.1360436 for registration of identical trademark "CYCLE GRASS BROOM" along with the device of a Cycle for Grass Brooms in Class 21 as "proposed to be used" mark. Hence, apart from other grounds, the petitioner opposed the registration of the said trademark on two main grounds-

i)that the petitioner's trademark is an earlier trademark and a well known trademark entitled to be protected under Section 11(10(i))

ii)that the rival marks are almost identical and deceptively similar and is likely to cause confusion amongst the consuming public and allowing the impugned application would cause dilution to the well known reputation of the petitioner company and further the petitioner company has also registered their trademark under Class 21 for Hollow ware, glass ware, domestic utensils, container trays and parts thereof.

The 3rd respondent has considered the case of the 1st respondent herein and held that since the application being a "proposed to be used" application on the mark, it has not attained any distinctiveness and therefore, it fails to qualify under Section 9(1) of the Act. As regard Section 11, the 3rd respondent has categorically held that the impugned mark is deceptively similar to the opponent's mark; hence, the use of the mark in the market will lead to confusion/deception in the minds of the purchasing public and the objection under Section 11 is also rightly found in favour of the petitioner; thus, the 3rd respondent refused to register the trademark of the 1st respondent. But, on appeal by the 1st respondent, the 2nd respondent-IPAB has set aside the order passed by the 3rd respondent on the finding that the 1st respondent's mark 'CYCLE BRAND' is an arbitrary device and that has nothing to do with the brooms and thus, automatically passed the test under Section 9 of the Act.

4. In this regard, the learned counsel for the petitioner by inviting the attention of this Court to Para 11 of the order passed by the 2nd respondent-IPAB, submitted that the 2nd respondent-IPAB had held that the petitioner's trademark is a well established brand in the agarbathi industry for over many decades. But, after holding that it is well established brand, the 2nd respondent-IPAB has held that it is not an invented or unique device. Assailing the said finding, the learned counsel for the petitioner submitted that the Trade Marks Act, 1999 does not require a mark to be invented or unique to be a well known mark. In this regard, the learned counsel for the petitioner has also invited the attention of this Court to Section 2(1)(zg) and submitted that the said provision only requires a mark to be so known to the substantial segment of the public and further, Section 11(6)(i) required the Registrar to consider the knowledge or recognition of the mark in relevant section of the public. Further, Section 11(8) requires the Registrar to consider a mark as well known when it is so determined to be well known in any relevant section of public by the Court or Registrar. But, the 2nd respondent-IPAB has categorically held that the petitioner's mark is well established and famous in the agarbathi industry for many decades. The said statement is not just a referring or a passing comment, but a categorical holding. Having held the trademark to be a well known mark, the 2nd respondent-IPAB ought to have protected the Trademark under Section 11(10)(i) against identical or similar marks.

5. It is further submitted by the learned counsel for the petitioner that the petitioner's trademark consists of both the word 'Cycle' and the device of 'Cycle' and the 1st respondent's trademark has also both the word "Cycle" and device of "Cycle". Section 11(10)(i) only requires the marks to be identical or similar and it need not be deceptively similar for a well known trademark to be protected. Even assuming without admitting that the IPAB has not determined the petitioner's mark to be a well known trademark, the petitioner's mark deserves to be determined as such on account of the long, continuous and extensive use of the said trademark. The petitioner's trademark falls well within the definition of Section 2(1)(zg) and Section 11(6) to

be determined as such.

6. Further, the learned counsel for the petitioner submitted that Section 11(10)(ii) requires the Registrar to take into consideration the bad faith involved either of the applicant or the opponent affecting the rights relating to the trademark while protecting as well known trademark. It has been repeatedly held that it is not only a likelihood of confusion that is required to be considered, but, also the use of a mark by any person which is detrimental to the distinctive character or reputation of an earlier mark. It is, therefore, a bounden duty on the part of the Registrar to protect a well known trademark from being diluted on account of use even on dissimilar goods/services. The 1st respondent's use of the impugned trademark on brooms will certainly dilute the distinctive character and reputation of the petitioner's mark which has been in continuous use for agarbathi. The 2nd respondent-IPAB has completely ignored the provisions of Section 11 and failed to protect a well known trademark.

7. Further, the learned counsel for the petitioner submitted that the 2nd respondent-IPAB erred in holding that the marks are not similar and different. The 1st respondent's mark consists of both the word 'CYCLE' and the device of the Cycle, whereas the IPAB has only considered the device of the Cycle and held that the petitioner's is an ordinary Cycle, whereas the 1st respondent's is a ladies Cycle. The 3rd respondent /Registrar, on the other hand, rightly held the rival marks to be deceptively similar and likely to cause confusion. Thus, the learned counsel for the petitioner submitted that the 1st respondent's mark, looking from any angle, is not only similar, but, almost identical to the mark of the petitioner. The Court should look at both the word and the device and the overall similarity to conclude whether the rival marks are similar. The 2nd respondent-IPAB has not considered any of the legal principles propounded in Section 11 and therefore, the petitioner's opposition under Section 11 should be upheld.

8. The learned counsel for the petitioner has also invited the attention of this Court to Section 9 relating to absolute grounds of refusal and submitted that Section 9(1)(a) requires the Registrar to refuse registration to the trademark which is devoid of any distinctive character, that is to say whether it is capable of distinguishing its goods from those of another person; that Section 9(2)(a) also requires the Registrar to refuse registration to a mark, which is of such a nature as to deceive the public or cause confusion. In the instant case, the Registrar (3rd respondent) upheld the opposition of the petitioner by holding that the 1st respondent's mark is not capable of distinguishing their goods from those of others. The Registrar rightly considered the long, continuous and extensive use of the mark by the petitioner and the non-use and/or proposed to be used nature of the mark of the 1st respondent to hold that the 1st respondent's mark did not pass the test of Section 9. The Registrar (3rd respondent) has also rightly held that the use of the 1st respondent's mark will lead to

deception and confusion in the minds of the purchasing public. The above said order passed by the Registrar (3rd respondent) is a well reasoned order and it was passed after going through the pleadings, documents filed and hearing the arguments of both the parties. But, the 2nd respondent-IPAB has taken a completely different view of Section 9, holding that it is only a low threshold test. Assailing the said finding of the 2nd respondent-IPAB, the learned counsel for the petitioner submitted that the decision of the 2nd respondent-IPAB in rejecting the 3rd respondent's finding under Section 9 is without any reasoning and it is wrong and contrary to the settled principles of law. The finding and decision of the IPAB under Section 18(1) are also erroneous and wrong. The 3rd respondent is right in holding that the petitioners are the rightful owners and the 1st respondent having filed the application as a 'proposed to be used' mark is not the proprietor of the mark under Section 18(1). In support of his contentions, the learned counsel for the petitioner has also relied upon the following decisions—

- i) Vishnudas Trading as Vishnudas Kishendas Vs. Vazir Sultan Tobacco Ltd, [1996 (16) PTC 512 (SC)].
- ii) Skyline Education Institute Vs. S.L. Singhvi & Anr (Civil Appeal No.1360-1361 of 2005).
- iii) ITC Limited Vs. Philip Morris Products SA and others [2010 (42) PTC 572 (DEL)].
- iv) V.K. Industries Vs. V.H. Mehta [1998 PTC (18)].

Thus, the learned counsel for the petitioner prayed that by setting aside the order passed by the IPAB, the order of the Registrar has to be upheld.

9. Countering the submissions made by the learned counsel for the petitioner, it is contended by the learned counsel for the 1st respondent that the 1st respondent has honestly adopted the mark with particular artistic work design and get up for brooms and other articles for cleaning purposes and has since been using the mark extensively, by making the mark distinctive; that the petitioner's mark is dissimilar from that of the 1st respondent's mark; that the device of Cycle is common to trade since large number of manufacturers are using it for various goods and services; that even the device of 'Cycle' used by the petitioner is dissimilar from that of the 1st respondent which is an image of a Ladies Cycle; that the petitioner is using the mark only for Agarbathis and that too under Class 3 of the Nice Classification and not for brooms or cleaning materials, whereas the 1st respondent is using it only for brooms and other articles for cleaning purposes coming under Class 21 and therefore, the petitioner cannot claim monopoly over a device of 'Cycle', which is common to trade and in any event the class of consumers who purchase brooms and agarbathis are totally different and so, there will be no confusion, deception and embarrassment; that registration of a composite label with the picture of the cycle as a trademark for brooms is not opposed to Section 11(9) of the Act. However, without considering the defence raised by the 1st respondent, the 3rd respondent passed the order dated 26.02.2009, upholding the opposition of the

petitioner and refusing registration of the 1st respondent's trademark. The order passed by the 3rd respondent is virtually a non-speaking order, merely extracting the arguments of both parties and making an observation that "as far as Section 11 of the Act is concerned, the impugned mark is deceptively similar to the opponent mark CYCLE BRAND and it is not only the mark of opponents but also the house mark of the opponents". In fact, the 3rd respondent has not given a reasoned finding as to how the mark was deceptively similar to the petitioner's mark or as to how the conclusion was arrived at that it was also the 'house mark' of the petitioner. The 1st respondent had therefore filed the appeal in OA/19/2009/TM/CH before the 2nd respondent-IPAB against the order of the 3rd respondent.

10. The learned counsel for the 1st respondent would further submit that the 2nd respondent-IPAB has passed an order dated 04.01.2013 by rendering the findings that the 3rd respondent's finding that the competing marks are deceptively similar to each other and would lead to confusion and also will be hit by Section 11(1) is completely erroneous; that the average consumer can differentiate competing products based on look, colour, get up, visual similarity, size, target market etc.; that the competing marks are unlikely to appear in the same store along side by side. Further, the 2nd respondent has held that the petitioner's mark is not invented or unique. The competing marks relate to entirely different markets and the nature of rival goods are poles apart. The intended purpose is totally different. Neither of the two goods are in competition. The 2nd respondent has also held that the conceptual similarity cannot be invoked as that would confer exaggerated monopoly of an ordinary device like cycle for all products; hence, Section 11 cannot be a hurdle to registration. Further, the opposition could not be allowed merely because the 1st respondent's mark was "proposed to be used" on the filing date. The threshold test is whether the mark is 'capable of distinguish' the goods of the 1st respondent from others. Cycle brand being an arbitrary device that has nothing to do with brooms and it automatically passes the threshold test and Section 9 cannot be a bar to consider the 1st respondent's mark for registration, unless it fails a test of Section 9(1)(a), (b) or (c). Thus, it is submitted by the learned counsel for the 1st respondent that the 2nd respondent-IPAB by well considered reasoning, has set aside the order passed by the 3rd respondent and the same needs no interference at the hands of this Court.

11. The learned counsel for the 1st respondent has also submitted that though the petitioner claims registration of the marks in Class 21 for "Glasswares, domestic utensils, container trap parts", the undisputed fact is that the petitioner has never used the trademark with reference to 'Glasswares, domestic utensils, container trap parts'. Under Section 46 of the Trade and Merchandise Marks Act 1958, if a mark was registered without a bonafide intention to use the mark in relation to those goods for which the mark has been registered, or if the applicant fails to use the mark for a continuous period of five years and one month, the mark can be

removed from the register of Trade Marks. The conditions laid in Section 47 of the said Act are that the trademark should consist of an invented word and it should have become so well-known in respect of the goods for which it was registered. But, in the instant case, the word 'CYCLE' is not an invented word. Therefore, the petitioner has no right in respect of the trademark CYCLE BRAND or device CYCLE in respect of all the goods. In this regard, the learned counsel for the 1st respondent has also relied upon the decision rendered by the Hon'ble Supreme Court in Civil Appeal Nos.1360-1361 of 2005 [Skyline Education Institute (India) Private Limited Vs. S.L.Vaswani and another] reported in India Kanoon, wherein it has been that a generic word cannot be used by anyone to the exclusion of others. Therefore, the learned counsel for the 1st respondent submitted that the petitioner cannot claim that since they have registered the mark under Class 21 for "Glasswares, domestic utensils, container trap parts", the 1st respondent is not entitled to register their mark CYCLE or device Cycle and the said submission of the petitioner is not legally sustainable. In support of his contention, the learned counsel for the 1st respondent has also relied upon the decision reported in 1996 (16) PCT 512 (SC) [Vishnudas Trading as Vishnudas Vs. The Vazir Sultan Tobacco Ltd].

12. Further, the learned counsel for the 1st respondent has submitted that the defensive registration was done away with under the Trade Marks Act, 1999 and the concept of a well-known trademark as defined under Section 2(1)(zg) was introduced and Section 11 was amended in conformity with Section 47 of the Trade & Merchandise Act, 1958. But, absolutely no evidence was adduced by the petitioner to show that the petitioner's mark is a well-known mark within the meaning of Section 2(1)(zg) and Section 11(6), (7) & (8). Though it is claimed by the petitioner that the 2nd respondent-IPAB in its decision/order held that the petitioner's mark is well known mark, if the order of the 2nd respondent is gone through, it could be seen that the 2nd respondent-IPAB has merely recorded the arguments of the counsel for the petitioner herein without any discussion with regard to the aspect of "well known mark". In fact, the 2nd respondent-IPAB has also not given any finding on record to the effect that the petitioner's mark is a well known mark. Therefore, the petitioner has miserably failed to establish that the petitioner's mark is a well-known trademark. The learned counsel for the 1st respondent submitted that the 2nd respondent has rightly allowed the appeal preferred by the 1st respondent herein and the well-considered order passed by the 2nd respondent needs no interference from this Court. Thus, he sought for dismissal of the writ petition.

13. By way of reply, the learned counsel for the petitioner submitted that the arguments/submissions made by the learned counsel for the 1st respondent that the prior registration under Class 21 and that defensive registration cannot be claimed for a common/generic word are not acceptable. In fact, the registration under the previous Act was obtained under several classes as the protection of well known trademark was not

available under the old Act viz. The Trade and Merchandise Marks Act, 1958. However, the new Act viz., The Trade Marks Act, 1999 introduced the concept of well known trademarks and the petitioner is claiming its rights as a well-known trademark under the new Act. The new Act i.e, The Trade Marks Act, 1999 is only applicable to the case on hand and not the old Act viz., The Trade and Merchandise Marks Act, 1958. Further, the learned counsel for the petitioner submitted that when two trademarks appear to be similar, the Court has to look at the overall similarity and not just the minute cosmetic change made deliberately by the respondent. Looking at the overall similarity, the 1st respondent has not only copied the word 'cycle' but also the device of 'Cycle'. But, this aspect was not properly considered by the 2nd respondent-IPAB. The trade channels and the class of consumers are the same. Both the products are available in retail stores and groceries. The products are sold to both literate and illiterate consumers. For any person with average intelligence and imperfect recollection, the rival marks would appear similar and is likely to create confusion in his mind. The observation of the 2nd respondent-IPAB that the petitioner's products are sold only in retail and many times through catalogues and internet is erroneous on the face of it. The 2nd respondent-IPAB has stressed on keeping the products side by side. It is a well known principle of trademark law that the rival marks should not be considered side by side, but, from the point of view of an average man with imperfect recollection. In this regard, the learned counsel for the petitioner has also relied upon the decision rendered by the First Bench of this Court reported in 2015-5 LW 501 [Rhizome Distilleries Pvt. Ltd., Vs. Union of India & others], wherein it has been held as follows_

"To decide as to whether there has been infringement of the fourth respondent mark it is enough if this Court comes to the conclusion that the petitioner's impugned mark bears an overall similarity to that of the registered mark of the fourth respondent as would be likely to mislead a person usually dealing with one to accept the other if offered to him. To consider as to whether there is deceptive similarity between two marks, the same should not be placed side by side and by doing so may exhibit many and various difference and the test would be, a person acquainted with one mark and not having the two side by side for comparison might well be deceived. If the goods were allowed to be impressed with the second mark, into a belief that he was dealing with goods, which bore the same mark as that with which he was acquainted."

For the same proposition, the learned counsel for the petitioner has also relied upon the another decision rendered by the Hon'ble Supreme Court in the case of General Electric Company Vs. Mr.J.Singh & ors reported in 2011 SCC OnLine Del 5513. Thus, the learned counsel for the petitioner sought for setting aside the impugned order passed by the 2nd respondent-IPAB.

14. We have carefully heard the submissions made on either side and perused the materials available on record. In view of the above submissions made on either side, the following questions fall for consideration in this writ petition.

1) Whether the 1st respondent's application for registration of trademark viz, a composite label comprising the words "CYCLE" on the top, device of cycle in the middle and words "GRASS BROOM" at the bottom in respect of Brooms and other articles for cleaning purpose included in Class 21, is liable to be refused since the petitioner has registered the CYCLE BRAND with the device of Cycle not only in Class 3 for agarbathi, dhoop sticks hair oil, but also in all other Classes including Class 21 for 'Glasswares, domestic utensils, container trap parts'?

2) Whether the petitioner has established before the IPAB that their CYCLE BRAND trademark is a 'well known mark'?

If these two questions are answered that would suffice to dispose of this writ petition. Since these two questions are inter-related, We deal with the same simultaneously.

15. It is the contention of the learned counsel for the petitioner that the petitioner-company is engaged in manufacturing and marketing incenses (agarbathi) sticks and dhoop sticks for more than a half century. During their business, they honestly conceived and adopted the trademark 'CYCLE BRAND' ever since their inception along with the devise of a 'Cycle', as early as in the year 1954. The petitioner registered CYCLE BRAND mark under Registration No.163539 in Class 3 for Perfumes, oodubathy, dhoop and hair oil and the house mark device of 'Cycle' in all the 34 trademark Classifications. The Cycle device is also registered under the Copy Right Act. The 1st respondent's mark is a slavish imitation of petitioner's mark and it is visually and phonetically similar, as such the registration is prohibited under Section 18(1) and 11(a) of the Trade Marks Act. The use of the mark by the 1st respondent will cause embarrassment to the petitioner and confusion and deception, even if it is used in relation to goods of a different description. The learned counsel for the petitioner would further submit that the 1st respondent's mark is neither adapted to distinguish nor capable of distinguishing the petitioner's goods and therefore, not registrable under Section 9(1) of the Act. Further more, the petitioner's mark is a 'well-known' trademark within the meaning of Section 2(1)(zg) and Section 11(8); so, it is entitled to be protected under Section 11(10) of the Act. Thus, it is the contention of the learned counsel for the petitioner that the 1st respondent is not entitled for the registration of the mark 'CYCLE'.

16. But, it is the contention of the learned counsel for the 1st respondent that none of the above grounds raised by the petitioner is sustainable in law and the petitioner is not entitled to prevent the 1st respondent from registering a composite label as a trademark comprising the devise of 'cycle'

in Class 21 for 'Brooms and other Article for cleaning purposes' since the 1st respondent has adopted and used the mark from 01.06.2005 in respect of brooms and cleaning supplies in Class 21 prior to the petitioner.

17. We are of the opinion that the defensive registration in all the Classes and in particular in Class 21 is non-est in law since Section 47 of the Trade & Merchandise Marks Act, 1958 which deals with Defensive Registration pertains only to invented words which have become well known and not to the devise (picture) of a 'Cycle' or even the Word 'Cycle', which are common to trade and not invented by the petitioner. In this regard, it would be appropriate to place reference in some of the decisions. In the case of Registrar of Trade Marks Vs. Ashok Chandra Rakhit Ltd reported in AIR 1955 SC 558, the Hon'ble Supreme Court held that the word 'Shree' is a common word in India with multiple meanings and such common words are not entitled to protection. Similarly, in CDJ 2011 DHC 1174 (Bhole Baba Milk Food Industries Ltd Vs. Parul Food Specialities Pvt Ltd), a Division Bench of Delhi High Court has held that the registration would give protection for the trade mark as a whole and not to a particular word of common origin. From the dictum laid down in the above cited decisions, it is clear that the common words are not entitled to be protected under Trade Marks Act.

18. In the case on hand, the petitioner company is doing trade in respect of Perfume, Incense sticks, dhoop and hair oil and the trademark of the petitioner was registered in Class 3. Though the petitioner had registered trademark in Class 21 for 'Glasswares, domestic utensils, containers trap parts', and also since the petitioner claimed registration in Class 21 also, it is undisputed fact that they have never used the trademark with reference to "Glasswares, domestic utensils, containers trap parts". In this regard, it would be appropriate to place reference in the decision of the Hon'ble Supreme Court reported in 1997(4) SCC 201 (Vishnudas Trading Vs. Vazir Sultan Tobacco co.Ltd), wherein it has been held that non-user of the trademark should not be allowed to enjoy monopoly, otherwise, he will indulge in mischief of trafficking in Trademark and prevent all bone fide user of such common word.

19. Further, the petitioner company has obtained registration of their mark only under the Class in Old Act i.e., Trade and Merchandise Marks Act, 1958. Section 47 of the said Act provided for defensive registration of trademarks comprising of an invented word, in classes and for goods not intended to be used by the person registering the mark, if the trademark was 'well known'. The conditions laid down under Section 47 of the said Act for defensive registration were i) the trade mark should consist of any invented word, ii) the trade mark should have become so well-known as respects any goods in relation to which it is registered and has been used, use in relation to other goods would be likely to be taken as indicating a connection in the course of trade between those goods and a person entitled to use the trade mark in relation to the first mentioned goods.

20. We find that so far as the present case is concerned, it is obvious that neither the word 'Cycle' or 'Brand' are invented words and so did not qualify for defensive registration. Further, a device of 'Cycle' cannot also be termed invented since 'Cycle' is a common use equipment and an image of a 'Cycle' cannot be claimed to be invented. Furthermore, there is no evidence on record or factual determination by any authority that the petitioner's mark is so well-known that the use of the device of a cycle by anyone else with reference to any other good such as grass brooms would indicate a trade connection with the petitioner. In this regard, it would be appropriate to place a reference in the decision reported in 1980 RLR 263 (Synthetic Moulders Vs. Samperit), wherein a Division Bench of the Delhi High Court while dealing with the use of the trademark 'Matador' for combs, a common use product, held as follows:

"For such a common article of small value what one sees is the article itself and the feel of the article in combing the hair. It is only the look and the feel and not the name of the plaintiff's article 'Matador' which make the purchasers wish to buy a comb".

In the light of the above decision, We are of the opinion that the petitioner has no right in respect of the trade mark 'Cycle Brand' or device of 'Cycle' in respect of all the goods listed in alphabetic order under the NICE CLASSIFICATION, which is what the petitioner is surreptitiously seeking to do, especially for products on which the Brand has not been used till now.

21. Though the petitioner has registered trademark CYLCE BRAND under Class 21, the same was not put in use in the business in the said class. Unless the word is an invented word coined by a person out of his own effort and thought process, he cannot prevent and exclude others from using the generic and common word by holding it within his folds by not putting it to use for a long time from the date of registration of the said trademark. In the instant case, We are of the view that the 1st respondent cannot be prevented by allowing the petitioner to hold on the trade mark which is generic in nature, for a long duration without putting it into use. So far as the instant case is concerned, a number of persons are using the word 'Cycle' and the petitioner cannot claim monopoly over the word 'Cycle' for all the products as the petitioner has not invented the word 'Cycle'. In this regard, it would be appropriate to place reference in the decision of the Hon'ble Supreme Court in Civil Appeal Nos.1360-1361 of 2005 in the case of Skyline Education Institute Vs. S.L.Vaswani & another, reported in India kanoon, wherein it has been held that a generic word cannot be used by anyone to the exclusion of others. The relevant portion in the said judgment reads as follows:

"18. In our opinion, the findings recorded by the learned Single Judge and Division Bench on the crucial factors like prima facie case, balance of convenience and equity are based on a correct and balanced consideration of various facets of the

case and it is not possible to find any fault with the conclusions recorded by them that it is not a fit case for restraining the respondents from using the word 'Skyline' in the name of the institute established by them. It has not been disputed on behalf of the appellant that the word 'Skyline' is being used as trade name by various companies/organizations/business concerns and also for describing different types of institute/institutions. The voluminous record produced by the respondents before this Court shows that in India as many as 117 companies including computer and software companies and institutions are operating by using word 'Skyline' as part of their name/nomenclature. In United States of America, at least 10 educational/training institutions are operating with different names using 'Skyline' as the first word. In United Kingdom also two such institutions are operating. In view of this, it is not possible to agree with the learned counsel for the appellant that the Skyline is not a generic word but is a specific word and his client has right to use that word to the exclusion of others."

22. In the instant case also, even the petitioner's registration for CYCLE BRAND and device under No.565836 is specific only in respect of 'glasswares, domestic utensils, container trap parts thereof included in Class 21 and not all the goods under Class 21. Therefore, there is no bar to registration of the 1st respondent's mark in Class 21 for brooms and other articles for cleaning purposes. Therefore, We are of the opinion that the petitioner's registration of the trademark CYCLE BRAND under Class 21 will not be a bar for registration of the 1st respondent trademark/composite label comprising of the word 'CYCLE' on the top, device of Cycle in the middle and words 'GRASS BROOM' at the bottom in respect of 'brooms and other articles for cleaning purposes included in Class 21.

23. The next question that falls for consideration is whether the petitioner has established that his mark is a well known mark. The defensive registration was done away with under the Trade Marks Act, 1999 and the concept of a well-known trade mark as defined under Section 2(1)(zg) was introduced and Section 11 was amended in conformity with Section 47 of the Trade & Merchandise Act, 1958. In the Trade Marks Act, 1999, Section 11 (6), (7), (8) & (9) explain about the nature of a well-known trade mark and how to determine the same. In this regard, it would be appropriate to extract Section 11(6) as hereunder_

"11. Relative grounds for refusal of registration_

(1) to (5).....

(6) The Registrar shall, while determining whether a trade mark is a well-known trade mark, take into account any fact which he considers relevant for determining a trade mark as a well-

known trade mark including_

(i) the knowledge or recognition of that trade mark in the relevant section of the public including knowledge in India obtained as a result of promotion of the trade mark;

(ii) the duration, extent and geographical area of any use of that trade mark;

(iii) the duration, extent and geographical area of any promotion of the trade mark, including advertising or publicity and presentation, at fairs or exhibition of the goods or services to which the trade mark applies;

(iv) the duration and geographical area of any registration of or any application for registration of that trade mark under this Act to the extent they reflect the use or recognition of the trade mark;

(v) the record of successful enforcement of the rights in that trade mark, in particular, the extent to which the trade mark has been recognised as a well-known trade mark by any Court or Registrar under that record."

A reading of Section 11(6) makes it clear that while considering whether the mark is a well-known trade mark, the relevant factors to be taken into consideration are i) knowledge or recognition of the Trade Mark in relevant sections of the public as a result of promotion of the mark, ii) duration, extent and geographical area of use and promotion through publicity and iii) record of successful enforcement of the rights in the Trade Mark, in particular the extent to which the mark has been recognized as well-known by any Court or Registrar. But, in the instant case, absolutely no evidence was adduced by the petitioner to show that the petitioner's mark is a well known mark within the meaning of Section 2(1)(zg) and Section 11(6), (7) & (8) of the Act.

24. Further, it was argued by the learned counsel for the petitioner that both the respondents 2 & 3 have held that the petitioner's mark is a well-known mark. But, this submission of the learned counsel for the petitioner deserves no merits. From a careful perusal of the order passed by the 3rd respondent, it is seen that the 3rd respondent has not given any speaking order on any issue for determining the mark as a well-known mark under Section 11(10) of the Act. The order of the 3rd respondent merely recorded the arguments of the petitioner and respondent and without any discussion goes on to hold that the impugned mark is deceptively similar to the opponent's mark CYCLE BRAND as it is not only the mark of opponent's, but, also the house mark of the opponent. Absolutely, We do not find any finding by the 3rd respondent to the effect that the petitioner's mark is a well-known mark as claimed by the petitioner. Similarly, even the finding of the 3rd respondent that the mark is deceptively similar to the petitioner's trademark CYCLE BRAND and that it is the petitioner's house mark, is not based on any evaluation of evidence or analytical finding, but a mere repetition of the

petitioner's arguments.

25. Similarly, We find that the 2nd respondent-IPAB in para 9 of its order has only elaborated the submission made by the learned counsel for the petitioner herein/respondent therein and as a passing reference, it stated that the trademark of the petitioner herein is a well known mark and it is not the determination of the 2nd respondent-IPAB and it is only the submission of the learned counsel. For better appreciation, it would be appropriate to extract the relevant portion in the order of the 2nd respondent-IPAB at para 9 as hereunder_

"9. The Counsel for the respondent on the other hand argued that the appellant have deliberately copied their mark with minor cosmetic changes. The respondent trade mark is a well known mark. They have been using CYCLE BRAND since 1954."

No doubt, in the conclusion portion, at para 11, the 2nd respondent-IPAB has stated that "there is no disputing that CYCLE BRAND for agarbathis (incense stick) is an established brand over many decades. But, it is not an invented or unique device." Again, only as a passing reference, the 2nd respondent-IPAB has stated that the mark of the petitioner is an established brand, but no determination was made to arrive at such a conclusion by the 2nd respondent. Therefore, the submission made by the learned counsel for the petitioner that the 2nd respondent-Board has rendered a finding that it is a well-known mark, cannot be accepted. The 2nd respondent has not given any finding based on document or evidence that the petitioner's mark is a well-known mark. There is a mere passing reference in the order of the 2nd respondent-IPAB. It is not the same as a 'well known mark' defined in Section 2(1)(zg) and there is no determination of the mark as being well known, following the parameters laid down in Section 11(6) to (9) of the Trade Marks Act, 1999.

26. In this regard, the learned counsel for the 1st respondent has also produced a copy of the Computer Generated TM-Search report downloaded through internet from the website pages of the Controller General of Patents and Trade Marks, wherein a list of trademarks which have been held to be well-known by Court or Tribunals has been given. The petitioner's Trademark is not listed as a Well-Known Trade Mark. On the contrary, it discloses several other registration of Trademark with the device of a 'Cycle' both in Class 3 and Class 21. Absolutely, there is no linkage between the products of appellant and the defendant. The appellant is dealing with incense sticks (agarbathi), whereas the defendant is dealing with broomsticks.

27. In the light of the above discussions, We are of the opinion that the petitioner has not established that the petitioner's mark is a well-know mark and the petitioner has also failed to show that the use of the device of 'Cycle' by the 1st respondent with reference to Brooms and other articles for cleaning purposes would imply a trade connection between the 1st respondent and the petitioner. We are of the opinion that the

petitioner is not entitled to object the registration of the 1st respondent's mark. Hence, We do not find any merit in the writ petition warranting interference with the order passed by the 2nd respondent and the writ petition is liable to be dismissed.

In the result, the writ petition fails and the same is hereby dismissed. Consequently, connected Miscellaneous Petition is closed. No costs.

Sd/-
Assistant Registrar(CS IX)

//True Copy//

Sub Assistant Registrar

To,

1.The Intellectual Property Appellate Board,
Annex I, 2nd Floor,
Guna Complex,
443, Anna Salai,
Teynampet, Chennai-600 018.

2.The Deputy Registrar of Trademarks,
O/o.The Trademarks Registry,
Intellectual Property Office Building,
G.S.T. Road, Guindy,
Chennai-600 032.

+2cc to Mr.Rajesh Ramanathan, Advocate SR.No.37104

+1cc to M/s.Ram & Rajan & Associates, Advocate SR.no.37213

sm:28.6.2018

W.P.No.12531 of 2013
and
M.P.No.1 of 2013

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